

**Record of Decision
Volunteer Army Ammunition Plant (VAAP)
Proposed Disposal
Chattanooga, Tennessee**

Pursuant to Section 102(2)(c) of the National Environmental Policy Act (NEPA) of 1969, the Council on Environmental Quality Regulations (40 CFR Parts 1500-1508), and GSA Order PBS P 1095.4E,F,2, PBS 1095.4C, ADM 1020.1, GSA has prepared an Environmental Impact Statement (EIS) for this Proposed Disposal Action. The purpose of the EIS was to:

- Identify the alternatives considered including the Proposed Disposal Alternative;
- Solicit public comments through scoping and incorporate comments into the analysis and decision process;
- Identify potential impacts of the alternatives considered including direct, indirect and cumulative impacts;
- Disclose all potential impacts resulting from the alternatives considered;
- Identify measures to mitigate adverse impacts;
- Incorporate the impacts from the alternatives considered and mitigation into the decision process.

This Record of Decision (ROD) will communicate GSA's decision on implementing the Proposed Action, the basis for that decision, and identify mitigation measures to be implemented as part of the decision. The Draft and Final EIS documents are incorporated into this ROD by reference, and are available upon request from GSA.

Action:

This is the Record of Decision for the General Services Administration (GSA) Proposed Disposal of the 6,372-acre (approximate acreage) Volunteer Army Ammunition Plant (VAAP), also known as Volunteer, located in the City of Chattanooga, Tennessee. Special legislation will permit conveyance of 1033 acres directly to Hamilton County. GSA's action is the administrative act of transferring ownership of this property through one, or a combination of, disposal mechanisms. The Proposed Action does not include GSA control of the reuse of any property other than certain deed restrictions that GSA may record

for the protection of human health and the environment or the protection of historical and archaeological resources. Some of the property may be transferred under early transfer authority and this would require approval from the Governor of Tennessee. Disposal mechanisms available to GSA include; transferring property to other Federal agencies; conveying property to state or local governments and institutions; and conveying the property to private entities.

Disposal of the property by GSA would remove the property from Federal ownership except for any parcel that may be transferred to another Federal Agency. The property after transfer becomes subject to the City of Chattanooga and Hamilton County land use plans and taxing authority. All future development after transfer will be subject to local land-use controls. GSA has evaluated two alternatives as part of the EIS including the No-Action Alternative, and the Disposal Alternative.

Purpose and Need:

The purpose of the Proposed Action is to better utilize assets. The need for the Proposed Action is to eliminate Federal expenses on unneeded property, to free capital for higher priorities, and to return property to the private sector and the local taxing authority for beneficial reuse.

The Department of Defense (DOD) screened the property against the needs of other DOD agencies and has determined Volunteer to be excess to the Department's needs. Having been determined to be excess by the DOD, the Army executed a Memorandum of Agreement (MOA) with GSA for the disposal of VAAP in accordance with the Federal Property and Administrative Services Act of 1949. GSA has screened the property for use by Federal civilian agencies and determined that the property is surplus to the needs of the Federal government.

The property is currently underutilized, and under the Proposed Action, would become a productive asset for future growth and development within the local community. As part of the NEPA process, GSA consulted with the local community to promote a smooth transfer and the productive reuse of the property.

GSA issued a Draft EIS in April with publication in the Federal Register, and provided a 45-day public comment period that began on April 15, 1999. A final Public Meeting was held in Chattanooga on April 29 soliciting comments on the Draft EIS.

The Final EIS addressed comments received on the Draft and was released on July 30 for final comment. This comment period closed on August 30. GSA provided written notices of availability of these documents in the Federal Register, the Chattanooga Free Press, and through local libraries. GSA distributed approximately 250 copies of the Draft and Final EIS

to Federal agencies, state and local governments, elected officials, the business community, and to interested parties.

GSA made diligent efforts to solicit input from all potentially impacted parties, and GSA also made diligent efforts to keep the community fully informed during the NEPA process. This was accomplished using newspaper Public Notices, newsletter direct mailings, community meetings, written correspondence, Public Meetings, and through maintaining an open dialogue with representatives of the City of Chattanooga and Hamilton County. GSA communicated regularly and openly with the community to keep all parties fully informed during the process. The chronology of the scoping events is outlined in the Draft EIS I-C.

Alternatives Considered:

No-Action Alternative

Under the No-Action Alternative, the Federal Government would retain the property with continuing Federal ownership and maintenance responsibilities. However, because Volunteer is no longer operational or needed for its original purpose, this alternative would maintain the majority of the property as undeveloped. Existing leases would continue, and new leases would likely be negotiated. Tenant leases would remain in the industrial area of the site with access to the existing utility infrastructure and the transportation network. There are currently 21 tenant leases at Volunteer, which employ approximately 300 people. Federal responsibilities would include the provision of a caretaker and expenses of upkeep for grounds and building maintenance, security, and utility services. In the absence of a productive Federal use for the property, the costs for continuous upkeep would represent an expense to the taxpayer, although some of this cost would be offset by tenant rents. However, the local community would not realize the benefits of this property returning to the local taxing authority for beneficial reuse.

Disposal Alternative

General Considerations

The Disposal Alternative is the proposed action by the Federal Government. This is the GSA preferred alternative. The conveyance to local governments or institutions for reuse or sale would be accomplished in accordance with the Federal Property and Administrative Services Act. The Disposal Alternative would result in indirect and longer term impacts that would occur over time. Indirect impacts are those that are "reasonably foreseeable" as long range consequences of the action. As defined in 40 CFR 1508.8, indirect impacts may include environmental impacts attributable to changes in population density and land uses that are induced by the Proposed Action.

Land use scenarios (A, B, C and D) were developed in the preparation of the Draft and Final EIS in partnership with the

City and County to provide a mechanism by which potential impacts from future site reuse could be evaluated. GSA worked closely with stakeholders that included the City of Chattanooga, Hamilton County, the Regional Planning Agency, Tennessee Department of Transportation (TDOT), Tennessee Wildlife Resources Agency (TWRA) and other interested agencies to assess potential uses for the site. Because the local community will ultimately determine the use of this property through zoning ordinance, their input was critical to this process. The City of Chattanooga annexed the entire Volunteer site in April 1998.

As part of GSA's analysis, land use scenarios were developed to provide likely combinations of land uses reflecting the needs of the community communicated during the NEPA scoping process. Land use Scenario D was developed for the Final EIS in response to both agency and public comments made on the Draft. Although the analysis of direct impacts from the Disposal Alternative is relatively straightforward and consistent regardless of the potential land use scenarios, the analysis of indirect impacts requires consideration of each respective scenario.

Identifying and evaluating potential indirect impact for each scenario involves a certain amount of speculation and assumptions because type, timetable, and location of future development at Volunteer is not known. To conduct a thorough analysis of reasonably foreseeable impacts resulting from disposal and development, GSA established criteria to identify and evaluate potential impacts as discussed below.

It will take several decades for the entire property to achieve complete reuse, and it is not possible to evaluate impacts accurately over such a timeframe. GSA in consultation with the local governments determined that a five to fifteen-year timeframe was a "reasonably foreseeable" period within which impacts would be identified and assessed. This decision was based on reasonably foreseeable land uses that could be implemented near the latter part of this timeframe. For example, two of the development scenarios include a municipal landfill that would not be opened for 10 to 12 years.

The local governments will develop zoning for the Volunteer property and will be the legal authority for reviewing and approving plans for future development after Federal disposal. Therefore, the local and state governments were determined to be the guiding source for data and assumptions related to potential future activity during the five to fifteen-year time frame.

It is important to note that GSA's role in the disposal process is strictly to conduct the real estate transaction(s) and perform the various related functions required under Federal law. The GSA has no financial, material, or other interest in the future use of the land after disposal. More expressly, GSA is not

advocating any particular conceptual or proposed reuse options for Volunteer. GSA analyzed competing land use proposals and the issues associated with these potential uses through the development of potential land use scenarios.

Key Land Use Proposals

The VAAP property consists of two dissimilar halves. The western half is a broad valley where the bulk of the former TNT manufacturing facilities was located. The eastern half of the property is primarily undeveloped with the exception of earthen covered ammunition bunkers dispersed throughout the hilly terrain. Due to the constraints imposed on future uses of the western half and existing contamination in this area, all three potential land use scenarios proposed by the local community generally include the same set of compatible uses (primarily industrial) for the western half. Potential land use scenarios for the eastern half of VAAP offer greater diversity in future uses.

The three initial land use scenarios are summarized in Chapter II Section 3 of the DEIS. Scenario D is summarized in Appendix F-3 of the Final. Each of the scenarios calls for a particular mix of future land uses. However, because of specific expressions of interest by the local Cooperating Agencies, key features have been identified which are included in one or more of the potential scenarios developed. These key features, or proposed uses, include the following: a large premiere industrial site; industrial development areas; a new I-75 interchange and access roads; mixed use sites; educational facilities; Army Reserve facilities; Police/Fire Training Center; a solid waste municipal landfill; residential areas; active recreation areas; an Equestrian Center; opportunity sites; open space; passive recreation; wildlife habitat; and public use areas. These key features are summarized in Chapter II Section B.2. of the DEIS and Appendices F-3 and F-4.

Four Potential Land Use Scenarios Developed

Three potential land use scenarios (A, B, and C) are illustrated in Exhibits II-2 through II-4 of the Draft EIS, with the legend for all three in Exhibit II-1 of the Draft. Scenario D was developed for the Final and is discussed in text and tables. Exhibit E-2 of the Final summarizes the acreage allocated to proposed uses for each scenario, and the percentage of the site devoted to each land use.

In order to evaluate traffic impacts and the need for transportation improvements, a phasing plan was developed for 5, 10, and 15 year planning horizons for each land use scenario. In general, the four scenarios are illustrated in the Draft and Final EIS with key features are summarized as follows:

Scenario A

Scenario A does not include residential development areas or the Equestrian Center. It provides a 490-acre site for a proposed sanitary landfill. It also provides the second largest amount of acreage for open space and passive recreation in the eastern half of VAAP among the four scenarios.

Scenario B

Scenario B does not include the landfill, the Police/Fire Training Center, the Equestrian Center, or the opportunity sites. It provides the largest amount of space for residential development located in the eastern half of the site.

Scenario C

Scenario C includes a 490-acre landfill site, the Police/Fire Training Center, the Equestrian Center, with only about half the acreage for residential development compared to Scenario B.

Scenario D

Scenario D does not include residential use areas, the landfill, opportunity sites, the Police/Fire Training Center, or the Equestrian Center. It provides the largest amount of open space for passive recreation among the four scenarios, retaining the entire eastern half of VAAP in its current state.

Scenarios A, B, and C assume that a new I-75 interchange would be constructed to serve VAAP and as a connector to State Route 58. Scenario D does not include the interchange and therefore development opportunities for the site are severely limited. This is clearly demonstrated by the tables in Appendix F-4 of the Final, which show that the absorption rates for the industrial land are less than 40% for Scenario D, as compared to Scenarios A, B, and C. Scenario D is very similar to the No Action Alternative because of the limitations to potential reuse if additional access to I-75 is not provided.

Environmental Consequences and Mitigation:

Based on the analysis contained in the EIS, there were no potentially significant environmental impacts identified from either the Proposed Action or the No Action except for those discussed in this ROD. The primary mitigation measures for the impacts from this action were identified during the scoping process and the preparation of the EIS. The partnership formed between the City and County governments and GSA during the planning for this disposal provided ongoing input for the preparation of the EIS. This EIS process solicited ideas from the community for the property's reuse and facilitated the development of combinations of proposed uses from which to analyze potential impacts. The result was the development of

four basic land use plans that will provide the local community a long-range planning tool for use as it develops its reuse strategy.

Three additional site considerations and potential impacts will be mitigated through processes required as discussed below. First, the entire Volunteer property is listed as a State of Tennessee Superfund Site. The Army is currently investigating and cleaning the contaminated areas as part of their legal responsibility under the Installation Restoration (IR) program and under RCRA as described in Chapter III.B.7 in the Draft. This process requires close coordination with regulatory agencies and with the public. A Restoration Advisory Board has been established and is holding regular meetings that are open to the public. GSA's proposed disposal would have no effect on the status of the site investigation and cleanup efforts being conducted under the IR and RCRA programs. Some of this property may be transferred under early transfer authority and would require approval of the Governor. This process is explained in detail in the Draft EIS pages 1-11 to 1-12.

Secondly, two of the proposed scenarios include a 490-acre site for a sanitary landfill. Should the local community elect to proceed with this option, an extensive permitting process and public notification process would be mandatory. This would require extensive engineering and design studies, a closure plan, and permitting under Tennessee Rule 1200-1-7 Solid Waste Processing and Disposal Facilities. This required process would solicit additional community participation and the permitting requirements would serve to mitigate potential adverse impacts to the natural and human environment.

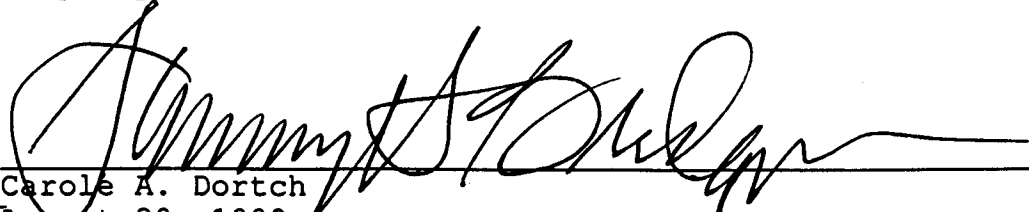
Third, three of the scenarios developed propose a new I-75 traffic interchange at VAAP. An Interchange Justification Report for this interchange would be required pursuant to Federal Highway Administration (FHA) regulations. This report would be prepared by Tennessee Department of Transportation (TDOT) and submitted to FHA for approval. An environmental assessment would be required along with site-specific studies and public involvement, which would serve to mitigate impacts from the development of a new interchange at VAAP.

The NEPA process itself and the joint development of a series of land use scenarios became the major mitigation measure that will serve to minimize the impacts to the natural and human environment. GSA consulted with other State and Federal Agencies to identify impacts and develop mitigation measures. Neither the disposal alternative nor the no-action alternative was considered to be environmentally preferred over the other. Potential impacts to the natural and human environment were found to be not significant after mitigation. This is documented in both the Draft and the Final EIS by reference, and a summary of mitigation by the Agency is attached as part of this ROD.

Rationale for Decision:

1. As part of GSA's environmental review, GSA conducted extensive public scoping with the local community to identify potential impacts and concerns that would result from proceeding with the proposed disposal action.
2. Issues that were identified by the community through Public Meetings and correspondence and were addressed in both the Draft and the Final Environmental Impact Statements released for public comment and review. Issues were addressed in the NEPA documents and all comments and GSA responses are incorporated into the documents as part of the official record.
3. GSA consulted with other government agencies including local, State, and Federal Agencies, to solicit their input on the proposed disposal. All issues identified and responses provided are presented in the Draft and Final documents.
4. The development of proposed reuses for the Volunteer property enabled potential uses to be identified and impacts to be analyzed. The EIS process provided a tool by which potential impacts were identified and mitigation measures developed. No significant impacts to the natural or human environment were identified from this proposed disposal action.
5. Potential impacts have been identified and mitigation measures selected that will minimize the impacts from this disposal action. GSA has consulted with other Agencies in the development of mitigation measures. GSA will institute the identified mitigation measures and will consult with other Agencies to insure that mitigation measures are implemented.
6. Should potentially significant impacts be later identified that may reach significant levels, GSA will prepare supplementary documentation as mitigation as required by the National Environmental Policy Act.

Therefore, having given consideration to all of the factors discovered during the 12 month environmental review process, it is GSA's decision to proceed with the Proposed Action: Disposal of the Volunteer Army Ammunition Plant based on the Federal Property and Administrative Services Act of 1949 as amended.



Carole A. Dortch
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